

CLAUSE I-110 – RESPONSIBILITY FOR SUPPLIES (August 2002)

The provisions of this clause shall be applicable if a fixed-price subcontract is awarded.

- (a) Title to supplies furnished under this subcontract shall pass to the Government upon formal acceptance, regardless of when or where SURA takes physical possession, unless the subcontract specifically provides for earlier passage of title.
- (b) Unless the subcontract specifically provides otherwise, risk of loss of or damage to supplies shall remain with the Subcontractor until, and shall pass to the Government upon –
  - (1) Delivery of the supplies to a carrier, if transportation is f.o.b. origin; or
  - (2) Acceptance by SURA or delivery of the supplies to SURA at the destination specified in the subcontract, whichever is later, if transportation is f.o.b. destination.
- (c) Paragraph (b) above shall not apply to supplies that so fail to conform to subcontract requirements as to give a right of rejection. The risk of loss of or damage to such nonconforming supplies remains with the Subcontractor until cure or acceptance. After cure or acceptance, paragraph (b) above shall apply.
- (d) Under paragraph (b) above, the Subcontractor shall not be liable for loss of or damage to supplies caused by the negligence of officers, agents, or employees of the Government and/or SURA acting within the scope of their employment.